CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL BANGALORE

REGIONAL BENCH - COURT NO. 1

Customs Appeal No. 20258 of 2024

[Arising out of Order-in-Appeal No. 1766/2022 dated 30.12.2022 passed by the Commissioner of Customs (Appeals), Bangalore]

M/s. Almoe Digital Solutions
Private Limited
16, Radhaswamy Complex
First Floor, Hebbal Kempapura
Bangalore – 560 024 **.........Appellant(s)**

VERSUS

Commissioner of Customs
Bangalore
P.B. No. 5400, C.R. Building,
Queens Road
Bangalore – 560 001 **........... Respondent(s)**

APPEARANCE:

Ms Purvi Asati and Mr. Ashutosh Sharma, Advocates for the Appellant
Mr. Maneesh Akhoury, Assistant Commissioner (AR) for the Respondent

CORAM:

Hon'ble Mr. P.A. Augustian, Member (Judicial)
Hon'ble Mr. Pullela Nageswara Rao, Member (Technical)

<u>FINAL ORDER NO. 20873 / 2026</u>

Date of Hearing: 03.02.2026
Date of Decision: 03.02.2026

PER: P.A. AUGUSTIAN

The issue in the present appeal is regarding classification of the Interactive LED Display panel.

2. The brief facts are during the period July 2021, Appellant had imported 33(thirty three) units of 'Model '65'' Active Panel Enhanced Nickel Interactive Touchscreen Display' and 40 (forty) units of 'Model

‘75” Active Panel Enhanced Nikel Interactive Touchscreen Display’ under Bill of Entry dated 23.07.2021 by classifying the goods under Customs Tariff Item (CTI) 8471 41 90. However, alleging that the goods imported by the Appellant are classifiable under Customs Tariff Item (CTI) 8528 59 00, clarifications were sought and for release of the goods, Appellant had paid duty as demanded under protest and made payment of customs duty. Thereafter, Adjudication authority issued Order-in-Original dated 27.08.2021. Aggrieved by said order, an appeal was filed before the Commissioner (Appeals) and Commissioner (Appeals) as per the impugned order dated 30.12.2022 rejected the appeal. Aggrieved by said order, present appeal is filed.

3. When the appeal came up for hearing, the Learned Counsel for the Appellant submits that the said impugned goods have an in-built Central Processing Unit (CPU), Graphical Processing Unit (GPU) and a 2 GB Random Access Memory (RAM) for executing programs. These goods are highly sophisticated machines which perform a plethora of functions in addition to being used as a traditional whiteboard in classrooms. These are not merely used for display of the information /presentation but are also capable of complex operations. The impugned goods are 'the single integrated hardware system consisting of an Automatic Data Processing (ADP) hardware unit which is connected to the TFT LCD Display unit. The said product is shipped by the manufacturer as one ADP unit attached with interactive Display unit.

4. The learned Counsel for the Appellant further submits that the ADP unit consists of 2GB RAM module, Internal storage hard drive of 16GB, Central Processing unit (CPU), Graphical Processing Unit (GPU) and dual front facing speakers. A TFT LCD Display unit is attached to the ADP unit and the same functions both as input unit for giving commands to the ADP unit to perform various programs and also functions as an output unit for displaying the results of the attached ADP unit. Copy of the product catalogue of the impugned goods are enclosed as Annexure-A.

5. Learned Counsel further submits that the issue is no more *res integra* and settled as per the decision of the Tribunal in the matter of **Commissioner of Customs V. BenQ India Private Limited - 2025 (2) TMI 1303 – CESTAT Mumbai*.*** Learned Counsel also relied on the following decisions:

i. **M/s. Ingram Micro India Private Limited Vs. CC - 2022 (2) TMI 308 - CESTAT New Delhi**

ii. **Cloudwalker Streaming Technologies Pvt. Ltd. Vs. CC - 2022 (1) TMI 1078 - CESTAT Mumbai** (Appeal against the same dismissed by the Hon'ble Supreme Court in Order dated 03.03.2023 in Civil Appeal No. 3477 of 2022)

iii. **Process Agrochem Industries Pvt. Ltd. Vs. Commissioner of CGST & Central Excise, Indore - 2025 (7) TMI 631 - CESTAT New Delhi**

iv. **Principal Commissioner of Customs V. M/s. Globus Infocom Limited – 2025 (1) TMI 1663 – CESTAT New Delhi**

6. Learned Counsel for the Appellant also draws our attention to the specifications and functions of the goods imported by **M/s. Ingram Micro (supra**) and the goods.

Feature	**Product in Ingram Micro (supra)**	**Impugned Goods in present appeal**
Product Type	Interactive Flat Panel Display (IFP) used for classrooms and corporate usage	Interactive Flat Panel Display used in educational and corporate environments
Size	Available in 24" to 98"	65" and 75" models imported

CPU	ARM Cortex A73 dual-core 1.2 GHz	Quad-core CPU
RAM	2 GB RAM	2 GB RAM
Internal Storage	16 GB storage	16 GB storage
Operating System	Android 7.0	Android 8.0/5.1; supports Windows/ChromeOS/Ubuntu via OPS
OPS Slot	Supports installation of Windows via OPS	OPS slot enabling operation of Windows, ChromeOS, Ubuntu, etc.
Connectivity Ports	HDMI, VGA, LAN, USB, RS232, audio	HDMI (front & rear), VGA, LAN, USB 2.0/3.0, mic-in, audio
Internet Access	LAN or USB dongle	LAN or compatible devices
Programmability	User can install apps	Users can install and execute apps via Android/other OS
Functional Nature	Teaching, presentation, processing functions	Data processing, algorithm execution, interactive teaching/corporate use

7. Learned Counsel further submits that the impugned goods are correctly classifiable under Customs Tariff Item (CTI) 8471 41 90 as decided by the Hon'ble Tribunal in **Ingram Micro** (supra). The impugned goods are "Automatic Data Processing Machines' falling under CTI 8471 4190. Learned Counsel further submitted that Note 5(A) to Chapter 84 defines an 'Automatic Data Processing Machine (APDM)' and lays down certain essentials of what constitutes an ADPM. As per Note 5(A) to Chapter 84, an ADPM means, a machine capable of:-

(a) Storing the processing programme (s) or at least the data necessary for the execution of the programme;

(b) Being freely programmable in accordance with the requirements of the user;

(c) Performing arithmetical functions specified by the user, and

(d) Executing a processing program which requires them to modify their execution by logical decisions, without intervention of humans.

8. Learned Authorized Representative (AR) for Revenue reiterated the finding in the impugned order and draws attention to the decisions of the Tribunal in the matter of **Hitevision Tech India Pvt. Ltd. Vs. Commissioner of Customs, Chennai - 2026 (1) TMI 1240 - CESTAT Chennai.**

9. Heard both sides and perused the records.

10. We find that the issue is no more *res integra* and covered by the decision of the Tribunal in the matter of **M/s. Ingram Micro (supra)**. Further, we find that even in the matter of **Hitevision Tech India Pvt. Ltd. (supra)**, it is held that -

> *"15. Guided by the governing principles of classification as stated by the Apex Court in WELKIN FOODS (supra) the impugned goods on first principles basis are classifiable as per GRI 1 of the First Schedule to the Customs Tariff Act, 1975 under CTH 8471 and 8473 at the 4 digit level. We find that the judgments cited by revenue supporting their contention that classification depends on the primary functional character and end-use of the goods are distinguished. Moreover, in this case a discussion on the end use of the impugned goods is found not relevant. Each of the judgment cited by revenue is applicable in the setting of its own facts but is not relevant to the facts in issue in this case. While we have examined the issue independently and have not gone by precedents, our conclusion on the classification of the goods find parity with that of the Coordinate Benches in the case of*

> *Cloudwalker Streaming Technologies (supra) and M/s. Ingram Micro India (supra) at the four-digit level.*
>
> *16. Based on the discussions above we find that revenue has not succeeded in discharging its burden of demonstrating that the impugned goods and their parts are taxable in the manner claimed by them. The impugned 'Interactive Flat Panel' remain classified at the 4digit level under CTH 8471 and their parts under CTH 8473, as self-assessed. The appeal hence succeeds and the impugned order is set aside. The appellant is eligible for consequential relief as per law. The appeal is disposed of accordingly."*

11. In view of the above discussion we find that the impugned order is unsustainable and liable to be set aside. Accordingly, impugned order is set aside, and the appeal is allowed with consequential relief, if any, in accordance with law.

(Operative portion of the order was pronounced in open court on conclusion of hearing)

(P.A. Augustian)
Member (Judicial)

(Pullela Nageswara Rao)
Member (Technical)

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